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Benefits for Iowa Veterans

ISSUE

An examination of the services that Iowa provides to veterans.

AFFECTED AGENCIES

Commission on Veterans Affairs

CODE AUTHORITY

Chapters 35, 35A, 35B, 35C, 35D, and 36, Code of Iowa

BACKGROUND

Part of the mission of the Commission on Veterans Affairs is to be responsible for the maximum provision of services and entitlements to the veterans of Iowa. The Commission achieves the provision of services and entitlements through several stated goals, including:

- Serving as the central information point in State government with a knowledge of county, state, and federal laws governing veterans affairs.
- Educating and establishing uniformity in the workings of Iowa's county commissions of veterans affairs.
- Educating veterans of entitlements and facilitating application under State and federal laws.
- Increasing veteran awareness of the availability of outreach programs.

Historically, the Commission provided the following services to veterans.

- Payment of a State bonus to World War I veterans. The deadline for filing was December 31, 1944. Note: A State bonus is a cash settlement or payment to an eligible recipient.
- Payment of a State bonus to World War II veterans. The deadline for filing was June 30, 1957.

- Payment of a State bonus to Korean Conflict veterans. The deadline for filing was July 4, 1963.
- Payment of a State bonus to Vietnam Conflict veterans. The deadline for filing was June 30, 1977.
- Payment from the Additional Bonus and Disability Fund to eligible veterans and dependents. The Fund expired in 1979.
- Payment of War Orphans Educational Aid to eligible war orphans.

CURRENT SITUATION

Currently the Commission on Veterans Affairs has several problems related to the administration of benefits for veterans, including:

- Filing System - Records of veterans are kept in a manual hard copy system. Without computerization, veterans are more difficult to locate. In addition, staff time required to maintain files and locate information for individual requests could be used more efficiently with a modernized system.
- Older Population - With the population of veterans increasing in age, the older veteran is more likely to need assistance in comprehending the scope of services provided by a local commission, the State entity, and the federal government.
- Federal Funds - Federal funds are decreasing at a faster rate than the veteran population, so other sources of funds may be needed to maintain current service levels.

Demographic Changes

Iowa's veteran population in 1994 was 295,590, a decrease of 4,218 (1.4%) compared to 1993. Federal funding in the form of pensions and compensation to Iowa veterans in 1994 was \$145,429,283, a decrease of \$4,698,917 (3.2%) compared to 1993. **Figure 1** represents the number of Iowa veterans by war and conflict and **Figure 2** documents the age of veterans in Iowa, based on service records last compiled on July 1, 1993.

Figure 1
Iowa Veterans by Conflict

Conflict	WARTIME VETERANS					PEACETIME VETERANS		TOTAL
	Persian Gulf	Vietnam Era	Korean Conflict	World War II	World War I	Post-Vietnam	Other Periods	
Male	10,100	83,300	48,400	92,100	500	22,400	33,700	290,500
Female	1,200	1,900	700	2,700	0	2,200	600	9,300
Total	11,300	85,200	49,100	94,800	500	24,600	34,300	299,800

**Figure 2
Iowa Veterans by Age**

AGE GROUP	Below 30	30-39	40-49	50-59	60-69	70-79	80+	TOTAL
Male	13,100	25,300	64,100	55,100	76,800	48,500	7,800	290,700
Female	1,300	2,200	1,900	900	1,100	800	500	8,700
Total	14,400	27,500	66,000	56,000	77,900	49,300	8,300	299,400

Note: The difference of 400 veterans in the above totals is a variance of 0.13% and is potentially the result of timing differences in data collection.

Since 49.8% of resident veterans are over 60 years of age and fewer individuals are currently entering the system compared with previous years of conflict, the demographic trends will continue.

Current Benefits Provided

Members of the Commission state that veterans are leaving the State of Iowa due to inadequate benefits provided in comparison with neighboring states. Iowa currently provides the following benefits to veteran residents:

**Figure 3
Iowa Benefits to Veterans**

Benefit Title	Eligibility	Economic Benefit	State Cost FY94	Notes
Military Service Exemption	Veterans and Widows	Not to Exceed \$1,852	\$2,820,795	Property Exemption
War Orphans Fund	Veterans and Veterans' Dependents	\$600 annual tuition	\$1,333	\$3,000 lifetime benefit
Burial Allowance	Indigent Veterans and Dependents	Covers burial expenses for a suitable burial	Counties are responsible for expenses	Coverage based on financial situation
Hunting/Fishing License	Disabled veterans and former POWs	One-time \$30 fee for a life-time license	No impact to State General Fund - fees deposited to Fish and Game Fund	Typical annual \$22.50 hunting/fishing license fees
Vehicle Registration Fee	Veterans with Federal vehicle assistance	Exempt from annual vehicle registration	\$36,075 (472 veterans averaging \$76.43)	\$5,500 federal grant per veteran for a vehicle
Specialty License Plates	Disabled veterans and former POWs	Exempt from \$5.00 annual charge for specialty plates	\$2,360 for 472 plates renewal free of charge	Free to eligible veterans

Attachment A provides a comparison of Iowa with other midwestern states for reference and opportunity areas concerning benefits changes.

Current Services Offered by the Commission on Veterans Affairs

Services provided by the Commission help Iowa veterans gain access to State and federal benefits based on eligibility. The following services are provided to Iowa veterans by the Commission. The list is in addition to the historically provided services detailed in the *Background Section* of this *Issue Review*.

- Provision of two veterans benefits service schools annually for the Iowa Association of County Commissioners and Executive Directors as specified in Chapter 35A.3, Code of Iowa. The schools provide training to County Commissioners and Executive Directors of County Commissioner's offices concerning uniform benefits and administrative procedures for carrying out the functions and duties of the Commissioners.
- Provision of the Supermarket of Veterans Benefits, a one-stop outreach effort which targets veterans in rural Iowa. The Supermarket compiles and offers eligibility and other information concerning State and federal benefits available to veterans in Iowa.
- Administration and payment of the War Orphans Fund to eligible war orphans.

ALTERNATIVES AND BUDGET IMPACT

The General Assembly may consider the following three alternatives to enhance the mission of the Commission on Veterans Affairs of being responsible for the maximum provision of services and entitlements to the veterans of Iowa.

Employ Field Officer(s)

The hiring of field officers by the Commission would assist the Commission in achieving the following goals:

- Educating and establishing uniformity in workings of Iowa's county commissions of veterans affairs.
- Educating veterans of entitlements under State and federal laws.
- Increasing veteran awareness of the availability of outreach programs.

The officer(s) would be used to assist veterans and dependents, county directors, commissioners, and veteran organizations. Another responsibility of the field officer(s) would be speaking to groups regarding the benefits that are available to veterans and dependents, federally, state, and locally.

The cost of a Field Officer Program would be approximately \$46,000 annually per officer. The Commission suggests four officers at a total cost of \$184,000 annually and estimates as much as \$4.5 million in federal funds would be leveraged by implementing this Program. The Field Officers would be responsible for identifying and locating veterans eligible for benefits and facilitating applications for federal benefits. Additionally, the Field Officers could visit county mental health facilities to educate admissions personnel concerning the veteran screening process. Admission to the appropriate veteran facility would shift fiscal responsibility for mental health care from the State to the federal government. The Commission does not know how many veterans are admitted to county and State hospitals for treatment who are eligible for federally-funded health care.

Attachment A indicates field officer structures of neighboring states for reference. Missouri has the most aggressive Field Officer Program and nets the highest federal dollars per veteran average

and the lowest percentage decline in federal funds of the comparison states. Commission personnel attribute the federal benefits received in Missouri to the Field Officer Program. An alternative structure utilized in North Dakota requires an employee in each county to report to the state Veterans Affairs Director with responsibility for veterans residing in that county. The General Assembly, in cooperation with the Commission on Veterans Affairs, would track the program for effectiveness, including measurement of the amount of federal dollars to Iowa veterans.

More appropriate use of the Veterans Administration Medical Centers

If veteran awareness of outreach programs were effectively increased, veterans would gain access to current services provided by the Veterans Administration medical facilities located throughout the State, rather than accessing treatment in county facilities. According to the Commission on Veterans Affairs, the private sector health care system is inadequate when providing specialized services to selected veterans whose needs the Veterans Administration system is specifically designed to serve. Examples of specialized services include prosthetics, orthotics, long-term health care, and mental health services. There are many veterans in county health care facilities that could be in Veterans Administration medical facilities with the cost paid by the federal government. Individuals working in law enforcement and health care facilities require training to screen all consumers entering various systems for veteran status prior to determining location of treatment services.

Review the Tax Code

To facilitate the Commission's maximum provision of services and entitlements to the veterans of Iowa, the General Assembly may consider reviewing the Iowa Tax Code for enhancing present or implementing new benefits.

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ATTACHMENT A - State Comparison of Veterans Benefits

	Iowa	Illinois	Missouri	Indiana	Minnesota
1993 Veteran Population	299,808	1.20 million	598,242	605,587	473,674
1994 Veteran Population	295,590	1.09 million	592,264	599,423	468,014
Difference	-4,218	-0.11 million	-5,978	-6,164	-5,660
Percent Change	-1.41%	-9.17%	-1.00%	-1.02%	-1.19%
1993 Federal Funds	\$ 150,128,200	\$ 409,526,818	\$ 358,146,116	\$ 271,640,621	\$ 247,520,079
1994 Federal Funds	\$ 145,429,283	\$ 394,878,108	\$ 357,256,089	\$ 266,138,431	\$ 245,132,743
Difference	\$ -4,698,917	\$ -14,648,710	\$ -890,027	\$ -5,502,190	\$ -2,387,336
Percent Change	-3.13%	-3.58%	-0.25%	-2.03%	-0.96%
Federal funds per Veteran 1993	\$ 501	\$ 341	\$ 599	\$ 449	\$ 523
Federal funds per Veteran 1994	\$ 492	\$ 362	\$ 603	\$ 444	\$ 524
Field Officer Structure	County Commissioner's Offices	Field Officer Program	5 Regional Offices	Network of Service Officers	County Service Officers
Veterans Homes	1	3 Homes + plans for 1 additional	5	1	4 + 1 newly authorized facility
Tax Exemptions	Military Service Exemption for all veterans and surviving spouses. Property exemption property not to exceed \$1,852	\$50,000 on federally funded housing		Veterans and widows, personal property & excise tax exemption, carryover to motor vehicle tax	Reduced property tax, no tax on motor vehicle purchase by assisted disabled veteran
Education	War Orphans \$600 annual educational aid, not to exceed lifetime \$3,000 benefit	Full tuition at State Institution, veterans & dependents	Missouri tuition free to dependents of veteran whose death is possibly linked to toxic chemical exposure	State university tuition dependents of disabled or purple hearts, POWs and MIAs	Limited financial assistance to eligible war orphans and veterans, POW dependents
Bonus	Historical Bonus structure detailed in <i>Issue Review</i> - covers all listed conflicts	Desert Storm, WWII, Vietnam, Korean Conflict, Vietnam POWs, and survivors compensation	Bonus to WWII veterans		Copies of discharges filed with applications for state war bonuses

ATTACHMENT A - State Comparison of Veterans Benefits

	Iowa	Illinois	Missouri	Indiana	Minnesota
Burial Allowance	County to provide suitable burial based on ability to pay	\$50 per claim		County benefit burial of veteran or spouse	
Adapted Housing		25% not to exceed \$12,000 construction			
Auto License Plate and Registration	Free renewal and annual registration fee waived to POWs and disabled veterans with federal aid for vehicle purchase	Free special plates and waived registration for POW, Congressional Medal of Honor, Purple Heart, Reserves, National Guard, Retired	Free to Purple Heart recipient, and 100% service connected disabled and POWs and POWs' widows	Former POWs, certain disabled, and Purple Heart Recipients	Free to Ex-POWs, Congressional Medal of Honor recipients, and others, and exempt from car registration fee
State Approving Agency		On-the-job training, apprenticeship and educational programs			
Hunting & Fishing Licenses	\$30 lifetime hunting and fishing license	Free to 10% service connected disabled veterans	Free license to 60% or more service-connected disabled		Free fishing license to 100% service-connected disabled
Free Camping Privilege		Certain disabled veterans and former POWs			
Public Records		Certified copies for benefits claims and honorable discharge recorded free			Certified copies for benefits claims
Notary Service		Free			
Point Preference	For any state position, 5 point veteran preference and 10 point service-connected disabled		For any state position, 5 point veteran preference and 10 point service-connected disabled	For selected merit positions in state government	Public employment preference hiring and dismissal
Financial Assistance			Veterans Trust Fund donation from tax refunds to Veterans Administration		Emergency funds, medical, dental, and optical assistance to low income veterans